

USAID Grant Agreement No. 306-06-15

AMENDMENT NUMBER FIFTEEN

TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT

BETWEEN

THE UNITED STATES OF AMERICA

AND

THE ISLAMIC REPUBLIC OF AFGHANISTAN (IRoA)

FOR

**THE STRATEGIC OBJECTIVE OF A DEMOCRATIC GOVERNMENT WITH BROAD
CITIZEN PARTICIPATION**

Dated as of: September 25, 2008

AMENDMENT NUMBER FIFTEEN

TO

THE STRATEGIC OBJECTIVE GRANT AGREEMENT

AMENDMENT NUMBER FIFTEEN TO THE STRATEGIC OBJECTIVE GRANT AGREEMENT between the Government of the United States of America, acting through the United States Agency for International Development ("USAID"), and the Government of the Islamic Republic of Afghanistan (hereinafter referred to as the "Grantee" or the "GIRoA"), acting through the Ministry of Finance, dated as of September 25, 2008.

WHEREAS, the Grantee and USAID entered into a Strategic Objective Grant Agreement ("SOAG") for the Strategic Objective of "A Democratic Government with Broad Citizen Participation" (USAID Grant Agreement No. SOAG-306-06-00) dated September 19, 2005 and subsequently amended that SOAG on:

- September 30, 2005 (Amendment No. 1);
- April 6, 2006 (Amendment No. 2);
- May 11, 2006 (Amendment No. 3);
- June 28, 2006 (Amendment No. 4);
- September 18, 2006 (Amendment No. 5);
- April 07, 2007 (Amendment No. 6);
- July 2, 2007 (Amendment No. 7);
- July 23, 2007 (Amendment No. 8);
- September 19, 2007 (Amendment No. 9);
- September 30, 2007 (Amendment No. 10);
- April 10, 2008 (Amendment No. 11);
- June 22, 2008 (Amendment No. 12);
- August 27, 2008 (Amendment No. 13); and,
- September 21, 2008 (Amendment No. 14);

The SOAG as so amended is referred to hereinafter as the "Agreement."

WHEREAS, USAID and the Grantee desire to further amend the Agreement to: (a) increase the USAID contribution by **Two Hundred Nine Million** United States ("U.S.") Dollars (**U.S. \$209,000,000.00**); and (b) update the illustrative financial plan to reflect certain adjustments and to cross reference and cross-walk the original SOAG budget information against the new USAID standardized program budget structure.

WHEREAS, USAID and IROA acknowledge that programming decisions for the use of these funds shall be made in coordination with the appropriate Ministry, and such decisions shall be recorded in PILs with countersignature by the relevant Minister and the Minister of Finance.

NOW, THEREFORE, the Parties hereto hereby agree that the Agreement shall be amended as follows:

1. The first sentence in Section 3.1(a) of the Agreement is deleted in its entirety and the following substituted in lieu thereof: "(a) The Grant. To help achieve the Objective set forth in this Agreement, USAID, pursuant to the Foreign Assistance Act of 1961, as

amended, hereby grants to the Grantee under the terms of this Agreement not to exceed **Four Hundred Seventy Eight Million Nine Hundred Forty Eight Thousand Two Hundred Two** United States (U.S.) Dollars (U.S.\$ 478,948,202.00) (the 'Grant')."

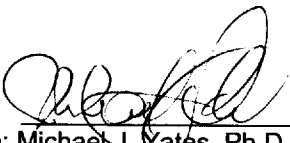
2. The first sentence in paragraph (b) of Section 3.1 of the Agreement is deleted in its entirety and the following substituted in lieu thereof: "(b) Total Estimated USAID Contribution. USAID's total estimated contribution to achievement of the Objective will be U.S. \$478,948,202, which will be provided in increments."
3. The illustrative financial plan set forth in Attachment 1 to Annex 1 to the Agreement is deleted and the updated illustrative financial plan attached hereto as Attachment A and Attachment B to this Amendment is substituted in lieu thereof.
4. The following paragraph is added to the end of the Section 2.1 of the Agreement:
"Activities pursuant to this objective shall be aligned with the Afghanistan National Development Strategy (ANDS), and will assist the GIRA in the implementation of the ANDS."

Except as further amended herein, all other terms and conditions of the Agreement remain in full force and effect. Capitalized terms not defined in this Amendment shall have the meanings ascribed thereto in the Agreement. This Amendment is prepared in both English and Dari. In the event of ambiguity or conflict between the two versions, the English language version will control.

IN WITNESS WHEREOF, the Grantee and the United States of America, each acting through its duly authorized representatives, have caused this Amendment Number Fifteen to be signed in their names and delivered as of the day, month and year first written above.

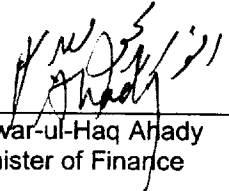
FOR THE UNITED STATES OF AMERICA

FOR THE ISLAMIC REPUBLIC OF
AFGHANISTAN

By: 

Name: Michael J. Yates, Ph.D.

Title: Mission Director
USAID/Afghanistan

By: 

Name: Anwar-ul-Haq Ahady
Title: Minister of Finance

Attachment A

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010

Amendment No. 15

In Thousands of U.S. Dollars

Objective and Activities	Amount Obligated prior to Amendment No. 15	Amount Obligated in Amendment No. 15	Cumulative Obligations in FY 2005 - FY 2008 *	Amount Remaining to be Obligated/Realigned in FY 2008 - FY 2010 **	Total Estimated Contribution ***
A DEMOCRATIC GOVERNMENT WITH BROAD CITIZEN PARTICIPATION USAID Grant Agreement No. SOAG-306-06-00					
Build Capacity of the Formal Justice System****	25,205	25,000	50,205	-	50,205
Strengthen Election and Political Process ****	90,475	70,000	160,475	-	160,475
Strengthen Institutions for Good Governance****	113,614	114,000	227,614	-	227,614
Increase the Presence and Performance of the Non-government Sector****	37,136		37,136	-	37,136
USAID Program Support	3,518		3,518	-	3,518
TOTAL OBJECTIVE 6:	269,948	209,000	478,948	-	478,948

NOTE * - References to "FY" refer to the USG fiscal year

NOTE ** - These funds are subject to the availability of funds to USAID and the other conditions set forth in Section 3.1 (b) of the Agreement.

NOTE *** - Total Estimated Contribution after proposed realignments.

above

ILLUSTRATIVE FINANCIAL PLAN FOR FY 2005 TO FY 2010
Amendment No. 15
In Thousands of U.S. Dollars

Objective	Program Area	Old Activity/Intermediate Results (IR) Title	Amount Obligated prior to Amendment No. 15	Amount Obligated in Amendment No. 15	Cumulative Obligations in FY 2005 - FY 2008*	Amount Remaining to be Obligated/Realigned in FY 2008 - FY 2010**	Total Estimated Contribution
A DEMOCRATIC GOVERNMENT WITH BROAD CITIZEN PARTICIPATION USAID Grant Agreement No. SOAG-306-06-00							
2. Governing Justly and Democratically	1 Rule of Law & Human Rights	Rule of Law & Human Rights	25,499	25,000	50,499	-	50,499
	2 Good Governance	Good Governance	116,249	114,000	230,249	-	230,249
	3 Political Competition & Consensus-Building	Political Competition & Consensus-Building	90,770	70,000	160,770	-	160,770
	4 Civil Society	Civil Society	27,419		27,419	-	27,419
4. Economic Growth	6 Private Sector Competitiveness	Capacity Development Program	10,011		10,011	-	10,011
TOTAL OBJECTIVE 6:			269,948	209,000	478,948	-	478,948

NOTE * - References to "FY" refer to the USG fiscal year.

NOTE ** - These funds are subject to the availability of funds to USAID and the other conditions set forth in Section 3.1 (b) of the Agreement